(c) if so, the features thereof?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) to (c) 100 per cent Foreign Direct investment is allowed for setting up of Special Economic Zones (SEZs) with integrated townships, including housing, commercial and recreational facilities, on a case to case basis. Such SEZs could also be for the biotechnology sector. Further, Foregin Direct Investment would be permitted upto 100 per cent in the development and establishment of Free Trade and Warehousing Zones.

Indo-China trade

1022. DR. T. SUBBARAMI REDDY:
PROF. ALKA BALRAM KSHATRIYA:

Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Sino-lndian trade is set to cross $ 10 billion mark this year for the first time;

(b) if so, whether India determines to further diversify and strengthen bilateral ties between the two countries;

(c) if so, whether according to India, its efforts are to increase trade and economic relationship with China;

(d) if so, what are the proposals that are being considered by Government to improve trade ties with China;

(e) to what extent these efforts have been successful; and

(f) to what extent the agreement reached in this regard would help to improve trade ties further?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) Yes, Sir. The Indo-China trade is expected to cross $ 10 billion mark during 2004-05 for the first time.

(b) to (f) In pursuance of the 'Declaration of Principles for Relations and Comprehensive Cooperation between the Republic of India and the People's Republic of China', signed during the visit of Prime Minister to Beijing in

June, 2003, a Joint Study Group composed of officials and economists has been set up to examine the potential complementarities between the two countries in expanding trade and economic cooperation. The Terms of Reference of the Joint Study Group, *inter-alia* include examining the feasibility of moving towards a Comprehensive Economic Cooperation Agreement and, if such an arrangement is found feasible to make recommendations regarding its scope, structure and implementation. The Joint Study Group is led by Dr. Rakesh Mohan from the Indian side. The First Meeting of the Joint Study Group was held in Beijing in March, 2004 and the Second Meeting was held in New Delhi in July, 2004. The Third Meeting of the Joint Study Group was held in Beijing on December 1-3, 2004. During the visit of PM to Beijing in June, 2003, an MoU was also signed between the two Governments on expanding border trade. Bilateral agreements signed between the two countries provide the structural and institutional framework for expanding and diversifying the bilateral trade.

India's share in global trade

1023. SHRI KALRAJ MISHRA: Will the Minister of COMMERCE AND INDUSTRY be pleased to state:

(a) whether Government have chalked out a strategy to double India's share in global trade during the next five years;

(b) if so, the broad features thereof, indicating the share of agriculture and service sectors in the present exports and the targeted exports; and

(c) the steps taken and being taken in that direction?

THE MINISTER OF STATE IN THE MINISTRY OF COMMERCE AND INDUSTRY (SHRI E.V.K.S. ELANGOVAN): (a) and (b) Yes, Sir. Export promotion is a constant endeavour of the Government. A Foreign Trade Policy was announced on 31st August, 2004 with the twin objective of doubling India's share of global merchandise trade within the next five years and also giving a thrust to employment generation. An export target of 16 per cent corresponding to a level of US $ 73.4 billion has been fixed for the year 2004-05 which is higher than the target of 12 per cent fixed for the last two years. This will help exports to reach a level of US $ 150 billion in 2009-10. As per DGCI&S data, the share of agriculture and allied products in India's merchandise exports in April-March, 2003-04 was 11.57 percent.